
HOUSE COMMITTEE AMENDMENTS

2025 Regular Session

Substitute for Original House Bill No. 634 by Representative Jacob Landry as proposed by the House Committee on Natural Resources and Environment

This document reflects the content of a substitute bill but is not in a bill form; page numbers in this document DO NOT correspond to page numbers in the substitute bill itself.

To enact R.S. 30:30, relative to environmental remediation; to establish a voluntary administrative process to resolve disputes regarding oil and gas remediation; to provide procedures for initiating the administrative process; to provide for the duties of the secretary of the Department of Energy and Natural Resources and the State Mineral and Energy Board; to provide for the selection and duties of hearing masters; to provide for the scope of the proceedings; to provide for recordation; to provide for available remedies; to provide for management of certain damages by the Natural Resources Trust Authority; to provide for decisions issued by hearing masters; to provide for review by commenting agencies; to provide for en banc review of final decisions of the hearing master; to require publication of final decisions online; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 30:30 is hereby enacted to read as follows:

§30. Administrative process; resolution of environmental remediation disputes

A. The purpose of this Section is to provide a voluntary administrative process to resolve claims related to remediation of oilfield and exploration and production sites. The use of the administrative process established in this Section shall serve as an alternative process that, upon mutual agreement of the parties, may be used in lieu of the judicial process provided pursuant to R.S. 30:29.

B. Procedural requirements.

(1) The administrative process shall be initiated by the submission of a joint written request on behalf of the parties involved to the secretary of the Department of Conservation and Energy.

(2) Upon receipt of a joint written request, the secretary, in consultation with the State Mineral and Energy Board, shall appoint a hearing master pursuant this Paragraph.

(a) Qualified hearing masters shall be retired judges included in the retired judges list maintained by the Louisiana Supreme Court, licensed to practice law in the state, and in good standing with the Louisiana State Bar Association. They shall not have any relationships or interests that could affect their impartiality and, if appointed, shall disclose any such relationships or interests should they arise.

(b) Preference shall be given to candidates with expertise in regulatory compliance, environmental law, and relevant industry practices. The State Mineral and Energy Board may identify those candidates on the retired judges list with relevant experience or expertise and maintain a modified list of preferred candidates selected from the retired judges list.

(c) Upon initiation of the administrative process, the department shall provide each party with the retired judges list, or a modified list maintained pursuant to Subparagraph (b) of this Paragraph.

(d) The parties shall have ten days from receipt of the list to jointly select and agree upon a qualified hearing master and submit their choice to the secretary. If the parties cannot agree on a hearing master, within fifteen days, they shall alternately strike names from the provided list until only one candidate remains and submit the name of that candidate to the secretary. The secretary shall appoint the candidate submitted as the hearing master, subject to their availability, and notify the parties of the appointment. If the candidate submitted is not available, the process provided for in this Subparagraph shall be repeated until the candidate submitted is available for appointment.

C. The parties may agree to the scope of the administrative process relative to any matter between them arising out of the contamination from activities related to oil or gas exploration, development, production, or transportation, including any matter that could be properly raised pursuant to R.S. 30:29.

D. The parties shall cause a notice of agreement to utilize this administrative process to be recorded in the conveyance records for the parish where the regulated activity at issue occurred.

E. The administrative process shall conclude with the issuance of a final decision by the hearing master, pursuant to the provisions of this Subsection.

(1) The hearing master may utilize any remedy or combination of remedies appropriate under the circumstances for each claim, including but not limited to the award of damages and specific performance.

(2)(a) The hearing master shall prepare a draft decision to be delivered via certified mail to the parties and to the chief executive or administrative officer of each of the following commenting agencies:

(i) The Department of Conservation and Energy.

(ii) The Louisiana Department of Environmental Quality.

(iii) The Coastal Protection and Restoration Authority or the Coordinated Use of Resources for Recreation, Economy, Navigation, and Transportation Authority, depending on the location of the regulated activity at issue.

(iv) The Louisiana Department of Wildlife and Fisheries.

(b) Each agency shall review the draft decision to ensure that it complies with all laws and regulations within its respective subject matter jurisdiction and within thirty days of receipt of the draft, send any comments in response to the parties and the hearing master via certified mail. Any comment recommending disapproval of the draft decision shall include detailed reasons therefor.

(3) If the decision of the hearing master includes an award of damages for remediation sufficient to satisfy regulatory compliance, those damages shall be remitted by the responsible party to the Natural Resources Trust Authority for deposit and use pursuant to R.S. 30:80, et seq.

(4) Decisions rendered by the hearing master shall be considered final and any party may request a hearing for review of the decision by a panel of three qualified hearing masters sitting en banc. The panel shall be selected by the secretary in consultation with the State Mineral and Energy Board.

(5) All decisions rendered by the hearing master or en banc panel, including detailed reasons therefor, shall be published on the department's website within thirty days of being rendered.

F. Any duly recorded lease affecting the relationship between the parties shall supersede and preempt any requests, decisions, or agreements made pursuant to this Section.

G. The department shall promulgate any rules necessary or helpful to implement the provisions of this Section.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB Draft

2025 Regular Session

Abstract: Establishes a voluntary administrative process that may be used in lieu of existing provisions governing remediation of oilfield and exploration and production sites for the resolution of environmental remediation disputes arising from oil and gas activity.

Present law provides a process for remediation of oilfield and exploration and production sites.

Proposed law retains present law.

Proposed law establishes a voluntary alternative administrative process for resolution of remediation disputes.

Proposed law establishes a procedure for initiating the administrative process and for the selection of a hearing master to preside over the proceeding.

Proposed law establishes qualifications and preferences for hearing masters.

Proposed law allows a hearing master to resolve disputes using any remedies appropriate, including damages and specific performance.

Proposed law requires review of the hearing master's draft decision by the following commenting agencies:

- (1) The Dept. of Conservation and Energy.
- (2) The La. Dept. of Environmental Quality.
- (3) The Coastal Protection and Restoration Authority or the Coordinated Use of Resources for Recreation, Economy, Navigation, and Transportation Authority, depending on the location of the regulated activity at issue.
- (4) The La. Dept. of Wildlife and Fisheries.

Proposed law requires that any award of damages for regulatory cleanup be deposited with the Natural Resources Trust Authority and managed in compliance with present law.

Proposed law provides for en banc review of a decision by three hearing masters chosen by the secretary in consultation with the State Mineral and Energy Board.

Proposed law requires that all final decisions be published on the dept.'s website within 30 days of being issued.

Proposed law provides that recorded leases will preempt any action pursuant to an administrative proceeding under proposed law.

Proposed law requires the dept. to promulgate rules to implement proposed law.

(Adds R.S. 30:30)